

REMARKS/ARGUMENTS

Favorable reconsideration of this application is respectfully requested.

Claims 1-46 are pending in this application. Claims 1, 9-24, and 32-46 were rejected under 35 U.S.C. § 103(a) as unpatentable over by U.S. patent 5,732,400 to Mandler et al. (herein "Mandler") in view of U.S. patent 6,282,522 to Davis et al. (herein "Davis '522"). Claims 2-8 and 25-31 were rejected under 35 U.S.C. § 103(a) as unpatentable over Mandler in view of U.S. Patent Application Publication 2001/0039516 to Bennett et al. (herein "Bennett") and further in view of U.S. Patent Application Publication 2002/0065754 to Lussi.

Addressing the above-noted rejections, those rejections are traversed by the present response.

Mandler does not disclose or suggest generating a database within a supplier computer system that stores financial information based on an off-line transaction between a customer and a supplier that has the supplier computer system. That is, in the claims as currently written a specific supplier that has had an off-line transaction with a customer stores financial information of the customer in the supplier's own computer system based on that off-line transaction. The supplier can then again access that financial information at a later time to determine whether to approve a subsequent on-line purchase.

In contrast to the claims as currently written, Mandler discloses merely being able to access an on-line financial clearinghouse. Mandler makes it clear that the system and method disclosed therein "provides for enabling on-line transactional services among sellers and buyers *having no previous relationship with each other*" (emphasis added, see the Abstract of Mandler).

In the claimed invention the goal is to allow a previous off-line transaction between a customer and a supplier to provide information that will be useful in determining whether to

approve a subsequent on-line purchase. Such a basic operation of the claimed invention is contrary to the teachings of Mandler.

The new basis for the outstanding rejection now states:

The Mandler patent lacks the information is based on an off-line transaction (claims 1 and 24).

The Davis patent teaches information gathered from an off-line transaction (D-col. 9, lines 1-14).

It would have been obvious to one of ordinary skill in the art at the time the invention was made to have modified the Mandler patent with the teachings of the Davis patent so as to provide a system that is more encompassing and capable of using various types of information therein.¹

Applicants respectfully submit the teachings in Davis '522 do not overcome the deficiencies in Mandler, and that it would not have been obvious to one of ordinary skill in the art to combine the teachings in Davis '522 to the teachings in Mandler.

First, applicants note Davis '522 is directed to an architecture and system that uses a smart card for payment of goods and/or services purchased on-line over the internet.² At column 9, lines 1-14 Davis notes the use of a processor card for off-line validation and for performing off-line processing and authentication. However, such teachings in Davis are completely irrelevant to the claimed features and are actually contrary to the teachings in Mandler and thus could not be combined with the teachings in Mandler.

The claims are not directed to a device that utilizes a smart card for payment or authorization for an on-line transaction as in Davis '522. In Davis '522 the use of the smart card is for a concurrently executed on-line transaction. That is, in Davis '522 if a purchaser wishes to purchase something on-line the purchaser can utilize a smart card for an off-line authentication. Thus, in Davis '522 the transaction for which the off-line smart card is utilized is a concurrent transaction executed on-line. As a result, in Davis '522 all relevant information is stored in the smart card and is not stored in the supplier's computer system.

¹ Office Action of February 3, 2005, middle of page 4.

² Davis '522 at the Abstract.

More particularly, in contrast to Davis '522, in the claims a customer's financial information is stored *in a supplier computer system* based on an off-line transaction between a customer and a supplier. That operation is not possible by any combination of teachings in Mandler in view of Davis '522. Mandler does not disclose such an operation and Davis '522 discloses a directly contrary operation. Davis '522 specifically discloses utilizing the smart card for storing information, which in Davis '522 would avoid the need to store a customer's financial information *in the supplier computer system*.

Further, in the claims the stored customer financial information is based on an *off-line transaction between a customer and a supplier*. The off-line processing utilized in Davis '522 at column 9, lines 1-14 has no relevance whatsoever to storing financial information from such an off-line transaction in the supplier computer system. Thus, Davis '522 is further deficient in that respect.

Moreover, the teachings in a primary reference to Mandler could not possibly be modified in view of the teachings of Davis '522 as that would destroy the entire objective of the device of Mandler.

Mandler is specifically directed to a device that "provides for enabling on-line transactional services among sellers and buyers having *no previous relationship with each other*" (emphasis added, see the Abstract of Mandler). The claims require a directly contrary operation in that the claims require an off-line transaction between a customer and a supplier to result in storing customer financial information in a supplier computer system. The entire objective of the device of Mandler is directly contrary to the claimed features and in no possible way could Mandler be modified to meet the claim features. A modification to Mandler to operate in which a customer and a supplier have had a previous off-line transaction is directly contrary to the objective of Mandler to provide services when the seller

and buyers have had no previous relationships with each. Thus, in no possible way could Mandler even be modified to meet the claim limitations.

In view of these foregoing comments, applicants respectfully submit that clearly claims 1, 9-24, and 32-46 patentably distinguish over Mandler in view of Davis '522.

Addressing now the rejection of claims 2-8 and 25-31 under 35 U.S.C. § 103(a) unpatentable over Mandler in view of Bennett and Lussi, that rejection is traversed by the present response.

First, the above-noted basis for the outstanding rejection is not at all understood as it does not even cite the teachings in Davis '522. Claims 2-8 and 25-31 depend from respective independent claims 1 and 24, and the Office Action recognizes that Mandler fails to teach or suggest features recited in independent claims 1 and 24. Thus, the entire basis for the rejection of claims 2-8 and 25-31 is unclear.

Moreover, the above-noted claims are believed to be even further distinguished over the applied.

The outstanding rejection cites further teachings in Bennett and Lussi, but applicants respectfully submit the further reliance on the teachings in Bennett and Lussi is improper. More particularly, applicants note certain of the dependent claims even further distinguish over the applied art.

For example, several of the dependent claims recite that the customer financial information is "based on a lease", and further can be "based on a lease of an image forming device". With respect to such features, the outstanding Office Action asserts Bennett and Lussi "to illustrate that such concepts are well known".

In maintaining the outstanding rejection the outstanding Office Action states:

[a]lthough Mandler doesn't specifically disclose a lease for an image forming device such as a copier and a facsimile machine, the Examiner reaffirms her taking of Official Notice that such goods would

fall within the purview of the type of goods covered in standard credit reports which are used as a basis for the credit analyses in Mandler, especially for businesses.³

The Office Action goes on to then cite the teachings in Bennett and Lussi. However, the cited teachings in Bennett and Lussi are not even relevant to the claimed features.

First, the outstanding rejection cites Bennett in paragraph [0016] to disclose utilizing leases. However, applicants note that what Bennett discloses is a computer enabling an individual to enter personal information about a buyer to obtain financing parameters for financing vehicles such as a lease. In that way, what Bennett discloses is being able to determine whether to grant a lease to an individual.

In contrast to the teachings in Bennett, in several of the dependent claims the lease is utilized as part of an off-line transaction that will determine whether to authorize a subsequent on-line transaction. Bennett clearly does not teach or suggest utilizing a lease in such a manner. In fact, Bennett discloses just the opposite as Bennett discloses utilizing information to determine whether to allow a lease.

The teachings in Lussi are also not deemed to be even remotely relevant to any of the claimed subject matter as Lussi also is completely silent as to utilizing information from an off-line transaction such as a lease with respect to whether to authorize a subsequent on-line transaction.

Thus, the dependent claims recite further features neither taught nor suggested by Mandler in view of Bennett and Lussi.

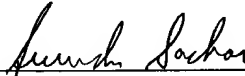
In view of these foregoing comments, applicants respectfully submit independent claims 1 and 24, and the claims dependent therefrom, patentably distinguish over the applied art.

³ Office Action of February 3, 2005, page 5, lines 4-8.

As no other issues are pending in this application, it is respectfully submitted that the present application is now in condition for allowance, and it is hereby respectfully requested that this case be passed to issue.

Respectfully submitted,

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